



General Assembly

January Session, 2013

***Raised Bill No. 6627***

LCO No. 4390



Referred to Committee on FINANCE, REVENUE AND  
BONDING

Introduced by:  
(FIN)

***AN ACT CONCERNING REVIEW OF ANY PROPOSED STATE  
PROJECT COSTING IN EXCESS OF FIFTY MILLION DOLLARS.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2013*) (a) As used in this section,  
2 "capital project" means a project or program financed, in whole or in  
3 part, by the state through a grant or loan to a nonpublic entity, where  
4 the total state financing amounts to more than fifty million dollars.

5 (b) Except as provided in subsection (e) of this section, before a  
6 capital project is placed on a State Bond Commission agenda, the  
7 Secretary of the Office of Policy and Management shall require, for any  
8 agency sponsoring a capital project, a detailed analysis of such capital  
9 project. Such analysis shall include, but need not be limited to, (1) a  
10 capital development impact statement, as described in section 4-66b of  
11 the general statutes, (2) the estimated full cost of the capital project  
12 when completed, (3) the estimated annual operating costs for the  
13 capital project when completed, (4) an estimate of additional revenue  
14 projected to be generated by the capital project, and (5) a statement

15 from the Commissioner of Agriculture pursuant to section 22-6 of the  
16 general statutes, for projects that would convert twenty-five or more  
17 acres of prime farmland to a nonagricultural use.

18 (c) Except as provided in subsection (e) of this section, the secretary  
19 shall, on behalf of an agency sponsoring a capital project, contract with  
20 an independent, nongovernmental entity to perform an independent  
21 analysis of the capital project. Such analysis shall include all items  
22 listed in subsection (b) of this section, in addition to an analysis of  
23 investments the state might make that are comparable to those  
24 proposed in the capital project.

25 (d) (1) The secretary shall request approval of such capital project by  
26 the joint standing committee of the General Assembly having  
27 cognizance of matters relating to finance, revenue and bonding, and, if  
28 applicable, the joint standing committee of the General Assembly  
29 having cognizance of matters relating to the purpose for which the  
30 capital project is proposed. Each committee shall have thirty days after  
31 the date such request is received to convene a public hearing and a  
32 meeting to vote to approve or disapprove the capital project. If the  
33 capital project is withdrawn, altered, amended or otherwise changed,  
34 the secretary shall resubmit such request, and each committee shall  
35 have thirty days from the date of such resubmittal to convene a public  
36 hearing and meeting to vote to approve or disapprove the capital  
37 project. If a committee does not act on a request or the resubmittal of a  
38 request, as the case may be, within such time, the request shall be  
39 deemed to be approved by the committee.

40 (2) Not later than three days prior to each public hearing and  
41 meeting scheduled in response to a request, as provided in subdivision  
42 (1) of this subsection, the secretary shall provide a copy of the analyses  
43 required pursuant to subsections (b) and (c) of this section to all  
44 members of each committee holding a public hearing and meeting, and  
45 shall post such analyses on the Office of Policy and Management's  
46 Internet web site.

47 (e) The provisions of this section shall not apply to any school  
48 building project financed pursuant to section 10-287d of the general  
49 statutes, or any interest subsidy financed pursuant to section 10-292k  
50 of the general statutes.

51 Sec. 2. Subsection (g) of section 3-20 of the general statutes is  
52 repealed and the following is substituted in lieu thereof (*Effective July*  
53 *1, 2013*):

54 (g) (1) With the exception of refunding bonds, whenever a bond act  
55 empowers the State Bond Commission to authorize bonds for any  
56 project or purpose or projects or purposes, and whenever the State  
57 Bond Commission finds that the authorization of such bonds will be in  
58 the best interests of the state, it shall authorize such bonds by  
59 resolution adopted by the approving vote of at least a majority of said  
60 commission. No such resolution shall be so adopted by the State Bond  
61 Commission unless it finds that there has been filed with it (A) any  
62 human services facility colocation statement to be filed with the  
63 Secretary of the Office of Policy and Management, if so requested by  
64 the secretary, pursuant to section 4b-23; (B) a statement from the  
65 Commissioner of Agriculture pursuant to section 22-6, for projects  
66 which would convert twenty-five or more acres of prime farmland to a  
67 nonagricultural use; (C) prior to the meeting at which such resolution  
68 is to be considered, any capital development impact statement  
69 required to be filed with the Secretary of the Office of Policy and  
70 Management; (D) a statement as to the full cost of the project or  
71 purpose when completed and the estimated operating cost for any  
72 structure, equipment or facility to be constructed or acquired; and (E)  
73 such requests and such other documents as it or said bond act requires,  
74 provided no resolution with respect to any school building project  
75 financed pursuant to section 10-287d or any interest subsidy financed  
76 pursuant to section 10-292k shall require the filing of any statements  
77 pursuant to subparagraph (A), (B), (C), (D) or (E) of this subdivision  
78 and provided further any resolution requiring a capital impact  
79 statement shall be deemed not properly before the State Bond

80 Commission until such capital development impact statement is filed.  
81 Any such resolution so adopted by the State Bond Commission shall  
82 recite the bond act under which said commission is empowered to  
83 authorize such bonds and the filing of all requests and other  
84 documents, if any, required by it or such bond act, and shall state the  
85 principal amount of the bonds authorized and a description of the  
86 purpose or project for which such bonds are authorized. Such  
87 description shall be sufficient if made merely by reference to a  
88 numbered subsection, subdivision or other applicable section of such  
89 bond act.

90 (2) The agenda of each meeting shall be made available to the  
91 members of the commission not later than five business days prior to  
92 the meeting at which such agenda is to be considered. The day of the  
93 meeting shall count as one of the business days. The agenda of each  
94 meeting, or any supporting documents included with such agenda,  
95 shall include a reference to the statute or public or special act which is  
96 the source of any funds to be used for any project on such agenda,  
97 including any contingency funds and any reuse or reallocation of  
98 funds previously approved for any other use or project, and a notation  
99 of the outside source from which any funds for any such project were  
100 received, if any. There shall be a separate item on the agenda of each  
101 meeting for any capital project, as defined in section 1 of this act, that  
102 receives state funding in an amount in excess of fifty million dollars,  
103 including for any such project or program where total state funding  
104 includes financing other than through bond funds.

105 (3) Upon adoption of a resolution, the principal amount of the  
106 bonds authorized therein for such purpose or project shall be deemed  
107 to be an appropriation and allocation of such amount for such purpose  
108 or project, respectively, and subject to approval by the Governor of  
109 allotment thereof and to any authorization for such project or purpose  
110 that may otherwise be required, contracts may be awarded and  
111 obligations incurred with respect to any such project or purpose in  
112 amounts not in the aggregate exceeding such authorized principal

113 amount, notwithstanding that such contracts and obligations may at a  
114 particular time exceed the amount of the proceeds from the sale of  
115 such bonds theretofore received by the state. In any such resolution so  
116 adopted, the State Bond Commission may include provision for the  
117 date or dates of such bonds, the maturity of such bonds and,  
118 notwithstanding the provisions of any bond act taking effect prior to  
119 July 1, 1973, provision for either serial or term, sinking fund or other  
120 reserve fund requirements, if any, due dates of the interest thereon, the  
121 form of such bonds, the denominations and designation of such bonds,  
122 registration, conversion and transfer privileges and the terms of  
123 redemption with or without premium and the date and manner of sale  
124 of such bonds, provisions for the consolidation of such bonds with  
125 other bonds including refunding bonds for the purpose of sale as  
126 provided in subsection (h) of this section, limitations with respect to  
127 the interest rate or rates on such bonds, provisions for receipt and  
128 deposit or investment of the good faith deposit pending delivery of  
129 such bonds and such other terms and conditions of such bonds and of  
130 the issuance and sale thereof as the State Bond Commission may  
131 determine to be in the best interest of the state, provided the State  
132 Bond Commission may delegate to the Treasurer all or any part of the  
133 foregoing powers in which event the Treasurer shall exercise such  
134 powers until the State Bond Commission, by adoption of a resolution  
135 prior to exercise of such powers by the Treasurer shall elect to  
136 reassume the same. Such powers shall be exercised from time to time  
137 in such manner as the Treasurer shall determine to be in the best  
138 interests of the state and the Treasurer shall file a certificate of  
139 determination setting forth the details thereof with the secretary of the  
140 State Bond Commission on or before the date of delivery of such  
141 bonds, the details of which were determined by the Treasurer in  
142 accordance with such delegation.

143 (4) The State Bond Commission may authorize the Commissioner of  
144 Economic and Community Development to defer payments of interest  
145 or principal, or a portion thereof, in the case of a troubled loan, as

146 defined in subdivision (1) of subsection (e) of section 8-37x, made by  
147 the commissioner under any provision of the general statutes.

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|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: |                     |             |
| Section 1   | <i>July 1, 2013</i> | New section |
| Sec. 2  | <i>July 1, 2013</i> | 3-20(g)     |

***Statement of Purpose:***

To ensure transparency and accountability in state-sponsored projects.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*